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### **BIWEEKLY REPORT**

# SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR 1/127 19 December 1960

PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS

**ECONOMIC INTELLIGENCE COMMITTEE** 

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These biweekly reports on "Sino-Soviet Bloc Economic Activities in Underdeveloped Areas" are prepared and issued by a Working Group of the Economic Intelligence Committee, including representatives of the Departments of State, the Army, the Navy, the Air Force, Commerce, and Agriculture; the International Cooperation Administration; the Office of the Secretary of Defense; and the Central Intelligence Agency. Their purpose is to provide up-to-date factual information on significant developments in the economic relations of Sino-Soviet Bloc countries with underdeveloped countries of the Free World. The EIC—R—14 series of reports, under the same title, provide periodic summaries and analytical interpretations of these developments.

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#### Summary of Events 2-15 December 1960

Upon the completion of its negotiations in Communist China, the Cuban economic mission broke into two groups. One group, led by Vice-Minister of Foreign Affairs Rodriguez Llompart, traveled to North Vietnam and Mongolia, while the others, led by Che Guevara, traveled to North Korea. In all three places the Cubans negotiated trade, payments, and scientific and technical assistance agreements. In addition, cultural accords and protocols establishing diplomatic relations (already in effect with North Korea) were signed with North Vietnam and Mongolia.

Although two months have passed since the USSR first announced its offer to build a tin smelter in Bolivia, the Bolivian Government	
still has not taken a firm stand on such assistance.	1
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The Soviet freighter <u>Dolinsk</u> arrived in Conakry, Guinea, on 7 December and unloaded a large number of cases thought to contain ammunition, an unknown number of larger crates believed to contain arms, and approximately 20 light field artillery pieces.

The USSR airlifted military equipment and supplies from Hanoi to Vientiane before the attack on Vientiane by General Phoumi's forces on 13 December.

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Information has recently become available that Indonesia is dissatisfied with the military equipment and supplies received from Communist China in 1958 and 1959 and will request a substantial reduction of the indebtedness which resulted from the agreement.

Cambodian Chief of State Sihanouk has had considerable success in obtaining additional Bloc aid during his recent visits to Czecho-slovakia and the USSR. In Moscow he accepted a Soviet gift of a technological institute, and in Czechoslovakia he was presented with a gift of six X-ray machines and an offer to help develop the Cambodian palm-sugar industry by installing a small sugar refinery.

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